

time to look back on the history of the State of Israel and remember it accurately. In recent weeks there has been much attention paid to the announcement of new construction in East Jerusalem. Lost in the debate were some basic facts about settlements and the historical context that must be remembered.

Today I want to set the record straight and outline six key facts about settlements. No. 1, the construction under debate is not in Arab East Jerusalem, but in a Jewish neighborhood in northern Jerusalem. Not only has this area never been governed under Palestinian authority, but there has never been a question of to whom the land belongs. Under every possible two-state plan, including the plan produced by President Clinton at Camp David in 2000 and the scenario and the letter from President Bush to Prime Minister Sharon in 2004, this area would be part of Israel.

No. 2, Jerusalem is not a settlement. Jerusalem has been a Jewish majority since 1870. And every Israeli Government since 1967 has recognized Jerusalem as the sovereign capital of Israel, not part of the West Bank. To reduce Jerusalem to anything less undermines the very foundation of Israel.

No. 3, settlements are not an obstacle to peace. This is where remembering history is especially important. Twice Israel has given up land and removed settlers in an effort to make peace, and each time peace was rejected. In 1980, after its peace accord with Egypt, Israel removed settlements from the Sinai Peninsula, but peace was rejected. Again in 2005, settlers were forcibly removed from Gaza, but peace was rejected. Settlements can be dealt with in any future negotiations through land swaps and border adjustments. But the issue of settlements should never prevent the two sides from sitting down to negotiate.

No. 4. The 10-month moratorium on new construction in the West Bank issued by Prime Minister Netanyahu is unprecedented. Despite staunch domestic criticism and incredible political risk, Prime Minister Netanyahu announced a 10-month moratorium on new construction in the West Bank. The move was praised by the Obama administration. U.S. Middle East envoy George Mitchell called the move significant, stating that "for the first time ever an Israeli Government will stop all new construction in West Bank settlements." Yet the Palestinian Authority continues to refuse to resume peace negotiations.

In the past, settlement construction did not prevent negotiations. In fact, both Yasser Arafat and Mahmoud Abbas negotiated with Israel even while building in settlements continued.

No. 5, only Israelis and Palestinians together can create a lasting peace agreement. The U.S. must continue to play a central role in peace negotiations, but ultimately the conflict must

be resolved through direct talks between the two parties. Requiring preconditions for negotiations simply allows the parties to avoid direct dialogue and ultimately a resolution. Any rhetoric that prevents the parties from resuming negotiations must be tempered.

No. 6, this constant focus on settlements distracts us from the greater threat, a nuclear Iran. The most significant threat to Middle East security is Iran obtaining a nuclear weapon. Iran's acquisition of nuclear weapons would surely spur nuclear proliferation throughout the Middle East, and even result in terrorist groups obtaining nuclear weapons. Our focus now must be on preventing Iran from becoming a nuclear power, not on debates about Jerusalem's construction policies.

Yes, settlements must be addressed, and they will be addressed in any peace process negotiations. We know this because over the years numerous proposals to solve the settlement issue have been floated, and Israel has twice shown it's willing to take action, pulling its citizens out of Sinai and Gaza. But settlements cannot be an excuse not to negotiate. Settlements cannot be considered an impediment to peace. And settlements cannot distract us from the looming threat of a nuclear Iran.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### HONORING DR. RODRIGO NOGUERA CALDERON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. LINCOLN DIAZ-BALART) is recognized for 5 minutes.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I rise today to honor an admirable educator and scholar from Bogota, Colombia, Dr. Rodrigo Noguera Calderon. During his long and highly acclaimed professional career after receiving a doctorate in law with a specialization in socioeconomic sciences from the Pontificia Universidad Javeriana, he has been an exceptional jurist and academician.

His humanistic formation led him to defend from the outset the values and principles of western civilization, the defense of which is today manifested in the formation of professionals educated with the same principles.

□ 1545

As a corollary of his humanistic formation, Dr. Noguera has been an ardent defender of democracy and of its liberties, and he has been a fighter against totalitarian and so-called

"populist" regimes which seek to destabilize democratic governments.

Dr. Noguera has also stood out for his unwavering and constant defense of the principles on which human rights are based and for the correct application of international norms that regulate them against those who, in the name of human rights, violate the very principles they say they seek to protect. To further this cause, Dr. Noguera established the Human Rights Institute in collaboration with academic institutions on three continents.

Regarding the United States of America, his positions and those of the Universidad Sergio Arboleda, which is the university founded in 1984 by his father, Rodrigo Noguera Laborde, and at which he has presided since 2003, have always been of friendship and in defense of the postulates and values of this great Nation.

The Universidad Sergio Arboleda was the main academic institution in Colombia that supported and assisted with the entire negotiation process of the Free Trade Agreement between the United States and Colombia.

The Universidad Sergio Arboleda also maintains very close relationships, by means of specific shared programs and projects, with many American universities, such as Florida International University, Florida Atlantic University, Georgetown University, American University, and the New York University School of Law. The Universidad Sergio Arboleda was a leader in the creation of joint degree programs with American universities. It was also a leader in other innovative and groundbreaking agreements, which have benefited both the United States and Colombia.

The Congressional Hispanic Leadership Institute, of which I am honored to chair, will also enter into an agreement of collaboration with the Universidad Sergio Arboleda.

Dr. Noguera has held very prestigious public-sector positions by presidential appointment, including supervisor of corporations, national electoral council judge, and associate judge of the National Constitutional Court of Colombia. He was presently named by Colombian President Alvaro Uribe as a member of the Committee on Political Reform. He has received many important distinctions, including the Order of Democracy Simon Bolivar in the degree of Cruz Gran Caballero, which is one of the highest civilian honors of Colombia, granted by the Colombian House of Representatives.

For my late father, for my brothers, and for me and my wife, our friendship with Rodrigo Noguera and his wife, Zayda Barrero de Noguera, is an extraordinary honor.

#### H.R. 2927—THE BORDER TAX EQUITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PASCRELL) is recognized for 5 minutes.

Mr. PASCRELL. Mr. Speaker, I rise this afternoon to speak on an issue that for too long we have known about but have done little to nothing to address on either side of the aisle. That issue is our growing trade inequity, which continually puts American manufacturers at a disadvantage and which has cost too many Americans their jobs.

I introduced bipartisan legislation, H.R. 2927, with my colleague, Representative WALTER JONES. So we've got Republicans on this bill, and we've got Democrats on this bill. It offers one path toward equalizing our growing trade inequity; but instead of having a thoughtful debate, we are again confronted by misinformation and, in this case, by an entirely unfounded and false fear of new taxes being imposed.

So, Mr. Speaker, I want to state for the record that H.R. 2927, the Border Tax Equity Act, has a singular mission—to stop the offshoring of American jobs. It does not impose a value-added tax. In fact, this legislation is geared to fight a value-added tax, which would be imposed by foreign nations on American-made products. The Border Tax Equity Act stands up against foreign export subsidies and trade barriers that offshore U.S. jobs.

Who is talking about this? When are we going to begin to protect American jobs?

We can have all of the job creation and all of the stimulus. If we don't get to the heart of the issue, we are going to lose any manufacturing edge that we have. We are not a service job country. We need to have agrarian; we need to have service, and we need to have manufacturing jobs. Otherwise, God forbid, if we ever went to war, we'd have to buy our tanks from China right now. We have dismantled our manufacturing base. We have destroyed the infrastructure of manufacturing in this country. Let me make it clear.

When I say "export subsidies," what I am talking about are our trade partners—our allies, many of them, and some not our allies. They give rebates and monetary givebacks—I call them "kickbacks"—to their own manufacturing companies. With a deal like that, it is impossible for our manufacturers to be on an even playing field, to compete or to stay in business.

This is the heart of our trade inequity. Free trade, fair trade—humbug. It doesn't go to the center of the issue. It seems that, lately, many have been confusing this bill with legislation that promotes a value-added tax when, in fact, the Border Tax Equity Act seems to level the playing field for U.S. producers of goods and services.

When are we going to give a break to the manufacturers, both large and small, in the United States of America? When are we going to stop saying that free trade is the panacea for creating jobs in the United States? Take a look at what NAFTA did to this country. Take a look at how many jobs we've lost, not only in the United States, but in Mexico. It is a disaster.

The Border Tax Equity neither imposes a value-added tax nor advocates for the imposition of one. I will repeat: It does not impose a value-added tax.

WALTER JONES and I introduced this legislation to encourage U.S. job creation and economic growth. That is at the center of the recovery. Countering foreign border adjusted tax export subsidies and trade barriers are a must if America is going to kick-start manufacturing job creation and double our exports in the next 5 years.

I also hope that this bill will shed light on our need to counter foreign border adjusted tax schemes that encourage the offshoring of production of U.S. goods and services. Here is a perfect example:

The rising export subsidies and trade barriers of foreign border adjusted taxes were a key contributor to the loss of 5.7 million manufacturing jobs over the last decade. It is the prime reason why U.S. industrial output is less today than it was 10 years ago, and this is despite a 50 percent increase in the global gross domestic product. Foreign border adjusted tax schemes are designed to make U.S.-produced goods and services less competitive by making exports to the United States cheaper, cheaper, cheaper so they can build more Wal-Marts, more Wal-Marts, more Wal-Marts and so they can put more people out of jail than are in the United States of America. That is fact, not fiction.

So, Mr. Speaker, I ask that we get the facts straight on what we are talking about.

#### PROTECTING CONSUMERS THROUGH REFORMING THE SECURITIES INVESTOR PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, during the past few years, the financial service industry has endangered the American Dream of capitalism. Each day, we learn more about those who are responsible.

It wasn't small business, the owners of these businesses or the entrepreneurs who harmed us but, rather, the Wall Street firms that manipulated the system and the Securities and Exchange Commission, SEC, that allowed greed to destroy the economy.

SEC Inspector General David Kotz, in his recent report, said that the SEC bears total responsibility for nearly \$70 billion of investor losses due to the Stanford and Madoff Ponzi schemes. Thousands of additional innocent victims were allowed to lose their life savings while they mistakenly believed that the SEC was actually regulating the securities market.

What is worse is that, even today, Wall Street is attempting to manipulate the laws to avoid their responsibilities under the 1970 Securities Investor

Protection Act, SIPA, and the corporation created to carry it out, the SIPC, the Securities Investor Protection Corporation.

SIPA provides \$500,000 of insurance to investors against the fraud or the dishonesty of an SEC-regulated broker. Wall Street supported SIPA because it wanted to encourage investors to allow brokers to hold their securities in their street name.

For example, if you bought securities through Merrill Lynch, instead of your name appearing on the stock certificate, it was held in Merrill Lynch's name. This allowed the brokerage firms to enjoy an enormous amount of additional revenue because they could treat those securities as their own.

The quid pro quo for giving up the protection of having securities in your own name was SIPC insurance. SIPC insurance was created to protect against the dishonest broker who either steals the customer's security or who steals the customer's money and never actually purchases the securities.

Today, 40 years later, Wall Street controls SIPC because the broker-dealers are members of SIPC. As a result, SIPC has spent more money fighting investor claims than it has paid out to investors—therefore, persecuting rather than protecting investors.

SIPC has the power to assess each member firm one-quarter of 1 percent of operating revenues, but instead, it has charged its members—many of whom were large firms—only \$150 per year for the privilege of promising millions of customers that they were insured. Thus, Wall Street figured out a way to have its cake and eat it, too. It advertised insurance, but in reality, never funded it; therefore, it could not provide enough funds to cover the victims' claims when Madoff collapsed.

Today, SIPC is paying the trustee and his law firm \$1.5 million each week to persecute investors by depriving them of insurance and by threatening to sue those who took mandatory withdrawals from their IRA accounts. I am referring to the clawbacks that Irving Picard, the SIPC trustee, has threatened against thousands of innocent investors, whose only mistakes were to rely upon their SEC broker-dealer confirmations and monthly statements.

SIPC refuses to honor the law's mandate to honor the legitimate expectations of customers who relied upon their confirmations and statements. If investors can't rely upon those documents, the entire stock market could collapse because no customer would ever have proof that he owned any securities.

I am asking that we hold Wall Street responsible for SIPC insurance. Every dollar that SIPC doesn't pay and every dollar that the SIPC trustee claws back increases the IRS theft loss to which an investor is entitled. Thus, after not only paying SIPC premiums for 19 years, Wall Street is cleverly attempting to pass their financial obligation back to the government.